



# NORTH TEXAS QUARTERLY NEWSLETTER

International Trade Administration/U.S. Department of Commerce

January 2005

## North Texas Export Assistance Center

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## Market of the Month- Turkey

There are few countries in the world that share Turkey's geo-strategic position as a bridge between east and west. Turkey's geo-strategic position, coupled with a large domestic market and a Customs Union with the European Union (EU), offers numerous opportunities for American firms. U.S. exports to Turkey enjoy relatively lower tariffs on manufactured imports averaging less than 5 percent. In addition, the average level of duties between Turkey and the EU and European Free Trade Area (EFTA) has dropped to zero. Consequently, an increasing number of businesses are attracted to Turkey to take advantage of duty-free access to the wider European market. Today, the U.S. is Turkey's fourth largest trading partner.

### Turkey at a Glance

Total Area: 780,580 sq km

Population: 68,893,918

GDP: \$453.5 billion

Government Type: Republican Parliamentary Democracy

Import-commodities: machinery, chemicals, semi-finished goods, fuels, transport equipment

### Best Sectors for U.S. Exporters

Telecommunications Services and Equipment, Natural Gas Transmission/Distribution/Storage and Trade, Automotive Parts/Services, Information Technology, Safety and Security Equipments and Services.

For more detailed information, visit:

<http://www.buyusa.gov/turkey/en>

## **COMMERCIAL ENCRYPTION EXPORT CONTROL EFFECTIVE DECEMBER 9, 2004**

Effective December 9, 2004, the Export Administration Regulations (EAR) have been amended in order to streamline and strengthen export and re-export controls on encryption items. Further information on this policy can be found at:

<http://a257.g.akamaitech.net/7/257/2422/06jun20041800/edocket.access.gpo.gov/2004/04-26992.htm>

## **UNDERSTANDING INCO TERMS**

Incoterms are standard trade definitions most commonly used in international sales contracts. Devised and published by the International Chamber of Commerce, they are at the heart of world trade.

Among the best-known Incoterms are **EXW** (Ex works), **FOB** (Free on Board), **CIF** (Cost, Insurance and Freight), **DDU** (Delivered Duty Unpaid), and **CPT** (Carriage Paid To).

ICC introduced the first version of Incoterms - short for "International Commercial Terms" - in 1936. Since then, ICC expert lawyers and trade practitioners have updated them six times to keep pace with the development of international trade.

Most contracts made after 1 January 2000 will refer to the latest edition of Incoterms, which came into force on that date. The correct reference is to "Incoterms 2000". Unless the parties decide otherwise, earlier versions of Incoterms - like Incoterms 1990 - are still binding if incorporated in contracts that are unfulfilled and date from before 1 January 2000.

Versions of Incoterms preceding the 2000 edition may still be incorporated into future contracts if the parties so agree. However, this is course is not recommended because the latest version is designed to bring Incoterms into line with the latest developments in commercial practice.

Correct use of Incoterms goes a long way to providing the legal certainty upon which mutual confidence between business partners must be based. To be sure of using them correctly, trade practitioners need to consult the full ICC texts, and to beware of the many unauthorized summaries and approximate versions that abound on the web.

ICC now publishes a brief introduction to Incoterms on a new special section of its website. We describe [how to order Incoterms](#) in the original English version and many of the world's main languages from ICC The site includes for the first time the [Preambles](#) to each term, in read-only

Publishing in Paris and New York, or ICC national committees around the world.

## **FREE TRADE AGREEMENTS**

### **U.S. –Australia Free Trade Agreement in Effect as of 01/01/05:**

The U.S. - Australia FTA is the first FTA between the United States and a developed country since the U.S. - Canada Free Trade Agreement in 1988. More than 99 percent of U.S. manufactured goods exports to Australia have immediately become duty free. Manufactured goods account for 93 percent of U.S. exports to Australia. Australia's GDP, growing at an annual rate of around 4.5%, is larger than any country in the region, except China and Japan. Australia continues to be an excellent prospect for both U.S. exports and investment.

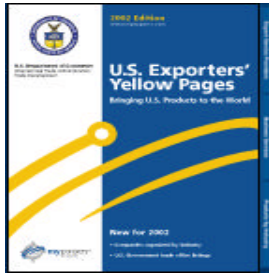
Duties on more than 99 percent of tariff lines covering industrial and consumer goods have been eliminated as a result of the free trade agreement. The Agreement brings immediate benefits to key U.S. manufacturing sectors, including autos and autos parts; chemicals, plastics, and soda ash; construction equipment; electrical equipment and appliances; fabricated metal products; furniture and fixtures; information technology products; medical and scientific equipment; non-electrical machinery; and paper and wood products. The elimination of duties is predicted to result in tariff savings for U.S. manufactured goods exporters of about \$300 million in 2005 alone.

For more information on doing business in [Australia](#), contact us at [north.texas.office.box@mail.doc.gov](mailto:north.texas.office.box@mail.doc.gov)

### **U.S. – Morocco Free Trade Agreement**

The U.S.- Morocco Free Trade Agreement, which will take effect on 01/01/05, will provide fair conditions of competition for trade between the two countries, improve the business environment, facilitate and increase U.S. exports in a number of sectors, such as telecommunications, tourism, energy, environment, insurance and finance.

For more information on doing business in [Morocco](#), contact us at [north.texas.office.box@mail.doc.gov](mailto:north.texas.office.box@mail.doc.gov)



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TOLL FREE NUMBER: 877-390-2629

2005 PRINT DEADLINE: January 15, 2004

Or choose the Basic Research Plan for **FREE!**

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To register, go to: <http://www.myexports.com/> and click on "Add Your Profile."

## **FREE AND SECURE TRADE (FAST) PROGRAM**

Canada and the United States have agreed to align, to the maximum extent possible, their customs commercial programs along their shared border. This agreement marks the creation of the Free and Secure Trade (FAST) program, which is the result of a shared objective to enhance the security and safety of Canadians and Americans, while enhancing the economic prosperity of both countries. Canada and the U.S. are working together to end threats to public security and safety, while keeping their shared border open to the flow of low-risk, legitimate trade, by:

- Adopting a common approach to risk management; and
- Partnering with those in the community who have a history in compliance and are committed to the integrity of their supply chain management processes, using compatible and advanced technology.

The **FAST** program will feature:

Greater integrity in supply chain management processes by offering expedited clearance processes to those carriers and importers who have been approved for Canada's Customs Self Assessment (CSA) and Partners in Protection (PIP) programs and have enrolled in the U.S. Customs and Border Protection's Custom Trade Partnership Against Terrorism (C-TPAT) program. The PIP and C-TPAT are similar programs that call for clients' use of business processes that minimize exposure to criminal elements by securing the supply chain.

Streamlined and, where appropriate, integrated registration processes for drivers, carriers, and importers, minimizing administrative requirements while ensuring that only low-risk trade chain participants with sound

and secure business practices are extended to the privileges of the FAST program.

Expedited clearance of low-risk transborder shipments by reducing the information required to meet customs requirements, dedicating lanes at major crossings to FAST participants, using common technology, and focusing limited physical examinations to matters related to public security and safety.

Integrated and advanced technology such as transponders used by both Canada and the U.S. facilitating the clearance of low-risk shipments, and relieving the clients' participation costs.

Dedicated compliance account managers who will build and maintain client partnerships and monitor clients' compliance with program requirements.

For more information on the FAST program, visit: [www.cbsa.gc.ca/fast](http://www.cbsa.gc.ca/fast)

## **Business Opportunities at Turin 2006 Winter Olympics**

The Olympic Winter Games will take place in Turin, Italy from February 10th to 26th, 2006. The following is the official website for the Turin Olympics Organizing Committee (TOROC): <http://www.torino2006.org>. At the moment there may be immediate subcontracting opportunities for U.S. firms wishing to supply building products for stadium construction. For further information, please refer to the U.S. Commercial Service Italy webpage: <http://www.buyusa.gov/italy/en/winter.html>

## **USEFUL WEBSITES**

- Shipping Export Declarations online: [www.aesdirect.gov](http://www.aesdirect.gov)
- Foreign Entry Requirements: <http://travel.state.gov/foreignentryreqs.htm>
- Search for Exporters Around the World: [www.export-worldguide.com](http://www.export-worldguide.com)
- Tips for Achieving Export Success: [www.profitguide.com/export/](http://www.profitguide.com/export/)
- Event Search Tools Directory: [www.expoworld.net](http://www.expoworld.net)

## **UPCOMING LOCAL EVENTS**

### **Global Market Series: Import Certificate Program**

Feb. 2: Customs and Border Protection  
Feb. 9: International Purchasing and Sourcing  
Feb. 16: Legal Issues and FTZ  
Feb. 23: C-TPAT/Audits  
Mar. 2: Documentation and Transport  
Mar. 9: Letters of Credit  
Mar. 16: Managing Communications

**Date:** Consecutive Wednesdays      **Time:** 8-12 noon  
**Location:** INFOMART

**Cost:** \$45 per session; \$285 entire series. Early payment by January 19: \$40 per session; \$250 entire series (Must complete series for SBA Import Certificate.) **CPE/CPM Credit Offered**

### **Global Market Series: Export Certificate Program**

Mar. 17: Resources and Market Analysis  
Mar. 24: Legal Issues  
Mar. 31: Documentation and Transport  
Apr. 7: Methods of Payment  
Apr. 14: Trade Finance  
Apr. 21: Regulatory Compliance  
Apr. 28: Managing Communications

**Date:** Consecutive Thursdays      **Time:** 8-12 noon  
**Location:** INFOMART

**Cost:** \$45 per session; \$285 entire series. Early payment by January 19: \$40 per session; \$250 entire series (Must complete series for USDOC Export Certificate.) **CPE/CPM Credit Offered**

### **NAFTA Certificate Series**

NAFTA has created significant opportunities for Texas exporters. Don't let the customs rules become a trade barrier! Seminar topics include NAFTA rules of origin, customs procedures, marketing, and labeling.

**Date:** May 26

**Time:** 8-12 noon    Rules of Origin/NAFTA Certificate (Session I)

**Time:** 1:30-4:30pm Customs Procedures: Mexico & Canada (Session II)

**Location:** INFOMART

**Cost:** \$90 (\$45 per session) / **Early payment by May 12:** \$80 (\$40 per session)

### **BIS Licensing and Compliance Certificate Program**

This two-day seminar, "Complying to U.S. Export Rules" will address EAR structure & policy changes, all considerations of licensing process, compliance and record keeping.

June 15-16: Compliance Certificate Seminar  
8:00 a.m. - 4:30 p.m.

### **BIS Program continued...**

June 17: Classification Workshop

8:00 a.m. - 12:00 noon

**Location:** INFOMART

**Cost:** Date: June 15-16 Cost: \$285; **Early payment by May 25:** \$250 Classification Workshop: Date: June 17; Half day workshop Cost: \$65; **Early payment by May 25:** \$50 (Must complete both full-day seminars, June 15-16, for the BIS Licensing & Compliance Certificate)

For more information on upcoming events, please contact the **North Texas Export Assistance Center** at [north.texas.office.box@mail.doc.gov](mailto:north.texas.office.box@mail.doc.gov)

### **Doing Business in China**

**01/19/05**

**Austin, TX**

An overview of doing business in China, China's IT and consumer electronic market, best prospects for IT, protecting your IT intellectual property, risk management & dispute avoidance, and information on China's Consumer Electronics Show.

### **Doing Business with Canada**

**01/27/05**

**Austin, TX**

This event includes a briefing on doing business with Canada with an inbound delegation from Manitoba and Winnipeg in cooperation with the State of Texas, Office of the Governor. Speakers will include a specialist on the country, a freight forwarder and how to get paid.

### **EXPO COMM Mexico 2005**

**02/08/05-02/11/05**

**Mexico City, Mexico**

This event will cover industries such as computers/Peripherals, computer software, computer services, telecomm equipment and services, information services, electronics industry prod/test equipment.

### **EXPO Manufactura 2005**

EXPO Manufactura is Mexico's premier manufacturing technology fair. It includes industries such as machine tools, metalworking, instrumentation, automation, assembly technology, quality control, manufacturing, manufacturing software, electrical manufacturing coil - winding technologies and welding.

### **CeBIT 05**

**03/10/05-03/16/05**

**Hannover, Germany**

CeBIT is the largest and most comprehensive ICT tradeshow in the world, playing host to over 6,400 exhibitors, 510,000 attendees and 10,000 journalists in 27 exhibition halls.

For more information on upcoming events, please contact the **North Texas Export Assistance Center**.



## **PROGRAMS OF THE U.S.E.A.C. IN BRIEF**

### **Trade Shows/Catalog Shows:**

#### ***Various Locations/Costs***

We can assist you with identifying international trade shows in your industry sector. For many of these shows, the Commercial Service organizes a U.S. Pavilion or staffs a catalog booth for a greatly reduced price.

### **International Partner Search:**

#### ***\$300-\$600 per region/country***

We will find the distributors/strategic partners who are interested in YOUR product or service, and provide you with contact information 15 days from receipt of your materials.

### **Gold Key Service:**

#### ***\$300 - \$900 per country/region***

Before you head overseas, we will set up appointments for you to meet with interested potential business partners.

### **International Market Research:**

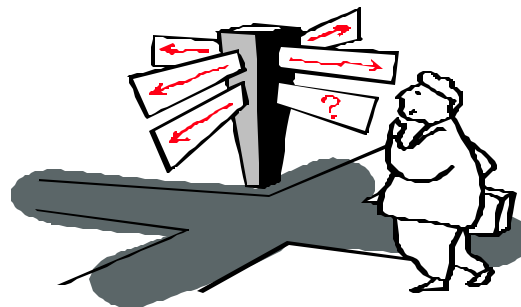
#### ***Just call us!***

Give us a call to see what new reports have been sent to us by our Commercial Officers (See examples on page 3 or visit [www.export.gov](http://www.export.gov))

### **Export Counseling and Assistance**

Our Specialists will work closely with you company to offer export finance counseling, market research, trade contacts, trade promotion, advocacy on international contracts, and information on export documentation and licensing.

**Note:** The U.S. Government does not endorse products or companies, and assumes no responsibility for the accuracy of data contained herein, or for the success or failure of any business transaction resulting from opportunities listed in this publication. **If you would like to be removed from this mailing list, please contact our office.**



## **Are You Confused About the International Marketplace?**

If you have any questions contact  
your local U.S. Export Assistance Center:

### **North Texas U.S. Export Assistance Center**

1450 Hughes Road, Suite 220  
Grapevine, Texas 76051  
(817) 310-3744  
Fax (817) 310-3757

#### **Austin USEAC**

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Telephone: (512) 916-5939  
Fax: (512) 916-5940

#### **Fort Worth USEAC**

808 Throckmorton Street  
Fort Worth, TX 76102  
Telephone: (817) 392-2673  
Fax: (817) 392-0178

#### **San Antonio USEAC**

203 South St. Mary Street, Suite 360  
San Antonio, Texas 78205  
Telephone: (210) 228-9878  
Fax: (210) 228-9874

#### **Houston USEAC**

15600 John F. Kennedy Blvd. Suite 530  
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